

## Agency Revision Team Report

The Agency Revision Team (ART) was established to discuss and, if possible, resolve issues that the CALFED agencies have regarding the CALFED Program and Draft Programmatic EIS/EIR. If issues raised could not be resolved by ART, then those issues would be elevated to the CALFED Management Team and CALFED Policy Group for resolution. ART has discussed and either resolved or established a process to resolve many issues that have arisen over the past month. As part of this ART report, one issue is being elevated to Management Team for resolution and a status report is provided below for four other issues of concern.

For each issue described, the action requested of Management Team is characterized in one of three ways:

- Decision item — ART has not reached agreement and is bringing the issue to Management Team for a decision.
- Concurrence requested — ART has reached agreement on a process for resolution and requests concurrence on the process recommended.
- Information item — Discussion but no decision.

1. Suisun Marsh Levees (Decision Item)

The issue paper is provided as an attachment.

2. Water Use Efficiency and Water Transfer Concerns (Concurrence Requested)

The Water Use Efficiency Technical Appendix identifies water savings that would result from implementation of water conservation measures. Further assumptions divide this savings into water that either can or cannot be reallocated to other water supply uses. Based on these assumptions, the potential water supply, water quality, and ecosystem benefits are determined for various regions of the state. These assumptions have been questioned by some CALFED agencies (including EPA) and by some stakeholder groups.

Current Work Efforts. Work efforts to focus on specific aspects of this underlying concern have already been initiated both through the Water Use Efficiency component and the Water Transfers component. These include forums to:

- a. Identify necessary actions to obtain potential non-supply related benefits that can be derived from water conservation measures in areas where water is not deemed available for reallocation (e.g., water quality improvements, reduced diversion impacts, other ecosystem benefits), and

- b. Review and perhaps propose revisions to the legal statutes that govern transferrable water, including the "no injury" rule applied by the State Water Resources Control Board during review of proposed water transfers. This effort will also examine questions such as: If water returns to a stream, do existing users of this return flow have a legal right to the water? If so, reductions in return flow may not be available for reallocation, but if there is no legal right, are the savings available for reallocation?

Embedded in the underlying concern about water use efficiency assumptions is also a more technical question. This relates to the determination of whether water that might be conserved can be reused by *someone or something* in the downstream system. An example of this could be the use of tailwater from a farm field or effluent discharged by a city being used for other water supply purposes, including environmental purposes such as Delta outflow. The amount of reuse will vary regionally and will be affected by the various hydrologic and geographic conditions which exist throughout the state. We have limited information on regional reuse, and there is no current CALFED work effort to refine information.

Recommended Action by ART: To gain consensus on the portion of conserved water that is available for reallocation, the Agency Revision Team recommends that a team of experts be formed to investigate the current assumptions used in the Water Use Efficiency Technical Appendix. This team will focus on hydrologic questions of downstream reuse in various regions of the state. The assumptions in the technical appendix will be examined and a recommendation will be made to either concur with the existing assumptions or to embark on an additional effort to gain consensus on the appropriate assumptions. Recommendations would be provided prior to the release of a Final Programmatic EIR/EIS.

## 2. Upper Watershed Issue (Concurrence Requested)

Concern has been expressed by some stakeholders and some CALFED agencies (including NRCS, USFS, and others) that the CALFED Program needs to better define the linkage between the "upper" watershed areas (above dams) and the objectives of the CALFED Program. To begin to address this concern CALFED has recently elevated the watershed efforts to a common program, and established an agency team and a BDAC work group to advise on the CALFED watershed strategy.

There is not technical agreement on which actions and programs in the upper watersheds may benefit the Bay-Delta. While there may be water quality, water supply, or ecosystem benefits, the degree of those benefits are not well understood and therefore difficult to determine the level of CALFED involvement in upper watershed programs during implementation of the program in Phase III.

Recommended Action by ART: ART recommends that as part of the existing process established by CALFED, that the agency and BDAC groups be given the task of defining the link between the upper watershed areas and the objective of the CALFED Program. This should involve identification of the schedule and necessary demonstration projects, research efforts and funding to complete the task.

### 3. Impacts to Agricultural Lands (Information Item)

California Department of Food and Agriculture has raised two concerns that may be elevated next month to Management Team and Policy Group. The CDFA staff have drafted issues papers that are currently under internal CDFA review which address the following concerns:

- Does the Draft Programmatic EIS/EIR fully discuss the impacts of the Program to agricultural resources?
- Should additional mitigation measures to reduce impacts to agricultural resources be part of the CALFED Program?

These issues are likely to be presented to Management Team at the July 30, 1998 meeting.

### 4. Delta Island Subsidence (Information Item)

The CALFED Levee System Integrity Program currently focuses on subsidence control on Delta islands only in the areas adjacent to the levees. This is because recent research indicates that subsidence control in the interior areas of the islands does not provide a benefit for levee integrity. Therefore, the interior areas of the islands are not included in the levee program.

The Ecosystem Restoration Program currently includes a nontidal permanent wetlands objective for the Delta islands of up to 17,000 acres. While this habitat is one of the most effective at arresting and potentially reversing subsidence, the acreage objective addresses only a small portion of the Delta.

Concern has been expressed by stakeholders (including the Natural Heritage Institute) that the CALFED Program is not adopting a comprehensive approach to subsidence control in the Delta. While there may be broader benefits to adopting an inner island subsidence control program, ART agrees that expanding the subsidence control program is not consistent with the CALFED Program. However, ART does support the continued efforts of the CALFED Program to maximize subsidence control within the current scope of the ERP and levee program. For example, CALFED could consider the subsidence benefits that could be achieved when identifying areas for nontidal wetlands restoration in the Delta.